

**Calaveras Transit Mix and Tuolumne Transit Mix
Divisions of George Reed, Inc.**

Building Materials Agreement

This Agreement has been entered into between the Calaveras and Tuolumne Transit Mix divisions of George Reed, Inc. (hereinafter designated as the "Employer"), and The General Teamsters Local No. 439 of The International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, (hereinafter designated as the "Union").

This Agreement is intended to promote and shall be so construed and interpreted as to carry out the following general purposes: The promotion of harmonious relations between the Employer and the Union; the encouragement by the Union of cooperation among all employees who are covered by this Agreement; and the fostering of public sentiment favorable to the operations of the Employer.

Section 1. Recognition

A. The Employer recognizes and acknowledges that the Union is the exclusive representative, within its jurisdiction, in collective bargaining with the Employer of those classifications of employees covered by this agreement and listed herein.

B. Only members in good standing in the Union shall be retained in employment. For the purposes of this Section, "members in good standing" shall be defined to mean employee members in the Union who tender the periodic dues and initiation fees uniformly required as a condition of acquiring or retaining membership. Non-members of the Union hired by the Employer must complete membership affiliation on or immediately following the thirtieth day of employment, and the Union agrees to accept said non-members into membership on the same terms and conditions generally applicable to other members. Upon written notice from the Union of failure on the part of any individual to complete membership in the Union as above required, or of failure to continue payment of dues to the Union, the Employer shall, within seven (7) days of such notice, discharge said employee.

Section 2. Discharge and Discipline

A. The Employer may discipline or discharge an employee for just cause which shall include, but not be limited to, the refusal to obey a lawful order, insubordination, theft, dishonesty, unlawful use or unlawful possession of controlled substances, intoxication, unexcused absenteeism or tardiness, gross negligence, failure to comply with a work or safety rule, policy or directive of the Employer, disrespectful treatment of a customer or employee, or any other conduct that harms or damages the Employer, its equipment of facilities, its employees and/or its customers in any way.

B. An employee who has not completed his or her probationary period may be disciplined or

discharged without just cause and without recourse to the Grievance Procedure set forth in Section 9.

C. The Employer shall give notice to the employee (in person, by mail, facsimile and/or email) of any verbal warning, written reprimand, suspension or discharge and it shall give written notice by certified mail to the Union of its written reprimand, suspension or discharge of an employee within 10 working days of occurrence on which the written reprimand, suspension or discharge is based.

D. All employees shall follow and adhere to the principle of "Work now, grieve later." An employee who is presented with written notice of a verbal warning, written reprimand, suspension or discharge shall sign and return such to the Employer immediately, and his or her signature shall only acknowledge receipt of such notice and not an admission or agreement on the discipline or discharge.

Section 3. No Strike/ No Lockout

There shall be no strikes of any form (including sympathy and unfair labor practice strikes), slowdowns, or other concerted interruptions of work by the Union, its representatives, and/or the employees covered by this Agreement for the duration of this Agreement, nor shall there be any lockouts by the Employer during the entire term of this Agreement.

Section 4. Holidays

The following holidays when worked shall be paid for at one and one-half (1½) times the employee's straight time rate:

New Year's Day	Labor Day
Washington's Birthday	Thanksgiving Day
Memorial Day	Day after Thanksgiving
Independence Day	Christmas

Section 5. Probationary Period

A new employee shall be considered a probationary employee until working a minimum of 1,000 hours from his or her date of hire, this probationary period can be reduced by mutual agreement between the Company and the Union. Probationary employees may be discharged without recourse to grievance.

Section 6. Subsistence

A. Drivers assigned to special country work shall be paid at regular schedule while in actual service and shall receive thirty (\$30.00) dollars per day. The Employer in addition shall pay the cost of the hotel when out of town overnight, where necessary.

Section 7. Hours

A. Working time shall be a minimum of four (4) hours with actual hours paid thereafter, except when weather conditions or a mechanical breakdown (other than the employee's own truck) interfere with work. Eight (8) hours shall constitute a day's work to be completed within eight and one-half (8½) consecutive hours. The Employer shall determine the starting time of each employee, and where an employee is instructed to report at a specific starting time, his/her pay shall commence at that specific starting time. The restrictions on starting time in this clause shall not apply to drivers of double bottom dumps and similar equipment. Time will be recorded by the hour and half-hour.

B. There shall be no guarantee of hours. The work week shall be defined as Sunday through Saturday. All time worked in excess of eight (8) hours per day or forty (40) hours per week shall be considered as overtime and at the rate of time-and-one-half (1½). All time worked after twelve (12) hours in a workday shall be paid at double time. All time worked on Sundays shall be paid at double time. All Saturday work will be paid at time and one half if the employee was available during the workweek, but if not, Saturday work will be paid at the rate of time-and-one-half (1½) only if forty (40) hours has been worked in that week.

C. Employees who, prior to leaving work, are instructed to report for work the following day and not put to work shall be paid not less than two (2) hours at his regular rate, unless notified at least one (1) hour prior to the scheduled starting time not to report for work. Employees not so scheduled prior to leaving work the previous day shall be given one (1) hour's notice to report for work and if not put to work upon reporting, they shall be paid not less than two (2) hours at their regular rate. It shall be the employee's responsibility to keep the Employer informed of the telephone number where he can be so notified. This clause shall not apply where the work is canceled due to weather conditions and the Employer does not have sufficient opportunity to notify the employees affected.

Section 8. Job Classifications and Wages

The following hourly wage rates are the rates the Employer will pay an employee:

	<u>Hourly Wage Rates and Effective Dates</u>		
	<u>2010</u>	<u>1-1-2011</u>	<u>1-1-2012</u>
Transit Mix, with boosterloads	\$19.50	\$20.00	\$20.50
Head, Bunkerman (Batchman)			
Power Loader, Operator			
Mechanic			

A. Work performed outside the area of Local No. 439 shall be paid for at the hourly rates prevailing in the area where the work is performed.

B. In the event that an employee during any working day works on two (2) or more different capacities for which there is a different rate of pay, the employee shall be paid for said day at the

higher rate and not the lesser rate.

C. Payday: All Employees under this agreement shall be paid their wages at regular paydays once a week.

D. The Employer shall provide a satisfactory means of registering the reporting time and the quitting time, the records of which shall be accessible to the Business Representatives of the Union at all times during the working hours. The Union shall have the privilege to install its own timekeeping system, if the Employer's system is found unsatisfactory.

Section 9. Grievance Procedure

A. Without affecting any of the time periods set forth herein, when any dispute as to the meaning or application of this Agreement arises between the parties, an effort may be made to resolve the matter.

B. A grievance is defined as a difference of opinion between the Employer and the Union regarding the meaning or application of this Agreement, presented to the Employer in writing within 10 days of the date the affected grievant or the Union became aware of it, or should have become aware of it, whichever occurred first. The grievance must state the grievant's version of the facts, the specific section(s) of the Agreement allegedly violated, the date the alleged violation occurred, and be signed by the grievant and a representative of the Union.

C. In the event the parties fail to resolve the grievance within 30 days of the date the grievance was first filed by the Union with the Employer, the Union may make a written request for a list of potential arbitrators from the Federal Mediation and Conciliation Service, with a copy of said request being simultaneously sent by facsimile to the Employer.

D. Within 10 days of the parties' receipt of the panel of potential arbitrators from the Federal Mediation and Conciliation Service, a representative of either party shall contact the other party for the purpose of selecting an arbitrator by alternating striking the names of potential arbitrators until one name remains and that person shall be the arbitrator.

E. The arbitrator shall consider and decide only the particular grievance presented. The arbitrator's decision and award shall be in writing and shall be final and binding on the Employer, the Union, and the employee or employees involved. The arbitrator shall not have the right to amend, take away, modify, add to, change or disregard any of the provisions of this Agreement.

F. The parties to the arbitration shall share the expense of the arbitrator equally, including the hearing room and original transcript incurred with the arbitration. The transcript taken at the arbitration hearing will constitute the official record. A party requesting a copy of the transcript shall incur the cost of the copy.

G. Any grievance shall be considered withdrawn with prejudice if not filed and processed in strict accordance with the time limitations set forth above, unless time limits are extended or waived by mutual agreement in writing.

H. A grievance by the Employer against the Union must be presented in writing directly to the Union and if such is not resolved in writing by the parties within the next 10 days, the Employer may make a written request for a list of potential arbitrators from the Federal Mediation and Conciliation Service, with a copy of said request being simultaneously sent by facsimile to the Union. The Employer's grievance will then be resolved in accordance with subsections D, E and F of this Section of the Agreement.

I. No more than one dispute may be submitted to any one arbitrator at the same hearing unless the parties agree to such in writing. If the Employer raises arbitrability as a defense to any grievance, the issue of whether the grievance is arbitrable shall be decided first by a neutral arbitrator selected in accordance with this Section of the Agreement.

J. Questions as to the amount of money due an employee under an existing wage scale, not involving any interpretation of this Agreement, need not be submitted to arbitration. Complaints involving only the amount of money due an employee shall be submitted to the Employer for investigation and adjustment. Every amicable means shall be exercised to effect a settlement or adjustment of such complaint. If any such complaint shall not have been adjusted or settled to the satisfaction of the parties concerned within five days (exclusive of Saturdays, Sundays, and Holidays) of the submission of the complaint to the Employer, the case may be submitted directly to the State Labor Commissioner.

Section 10. Vacations

A. Those employees who have been regularly employed one (1) year or more shall be eligible to take vacation. Vacation will be accrued at the rate of one (1) day per 175 hours worked. Those hired prior to July 1, 1983, will be entitled to accrual at the rate of one (1) day per 125 hours worked.

B. Annual vacation request shall be prioritized based on years of service, provided, however, that in order to avoid undue interference with the Employer's operations, not more than one (1) employee in a given job classification will be on vacation at one time per location. The Employer, once each year, shall post on the bulletin board a vacation schedule on which employees may indicate their vacation preferences in keeping with the above.

C. After one (1) year of continuous service, employees who resign or who are discharged for cause shall forfeit any right to pro-rata vacation pay, but any employees who shall resign after giving to the Employer written notice of at least seven (7) days prior to the effective date of his resignation or who shall be laid off by the Employer for lack of work, shall be entitled to receive vacation pay to the portion of the year in which he was eligible for vacation.

D. Commencing with the employee's anniversary date in 1981, any employee shall be entitled to a vacation in accord with the regular schedule, provided he shall have worked at least twelve hundred (1,200) hours in the 12-month period from his last anniversary date. The 1,200 hours will be computed on all hours paid. Employees who do not qualify for full vacation shall be entitled to one-twelfth (1/12) the scheduled for each one hundred (100) hours paid. Any employee off work because of a non-job related injury shall not accrue vacation time for that time off.

Section 11. Health and Welfare

A. The Employer shall contribute Eight Hundred Eighty Seven Dollars (\$887.00), and the Employee shall contribute Eighty Three Dollars (\$83.00), toward the total premium of Nine Hundred Seventy Dollars (\$970.00) per month for each eligible employee, into Plan C with VSP of the Northern California General Teamsters Security Fund. The Employer agrees to continue the premium payments on the foregoing plan for a period not to exceed three (3) months each year for any seniority employee, who, after one year of service, is absent from work due to proven illness or industrial injury. The Employer will not be obligated to continue the health and welfare payments above where a laid-off employee has qualified for coverage under some other Employer's health and welfare plan.

B. The term "eligible employee" as used in paragraph "A" shall mean any employee who worked or was paid for at least one hundred (100) hours during the preceding month. Holidays, vacation, and other time paid for but not worked shall be considered as time worked for the purposes of this Section.

C. The present level of all benefits of the plan purchased in clause "A" above shall be maintained during the life of this Agreement, the Employer and the Employee will share in the cost of said increase by a 50/50 split, with the employee's share being paid through a weekly payroll deduction.

D. The Employer agrees to continue health and welfare benefit payments as has been the practice for all employees with fourteen hundred (1,400) hours in each year of service, except as allowed for absence in paragraph "A".

E. In the event a federal or state law is enacted that requires an employer to provide health insurance to its employees, either party may provide the other with written notice of its desire to reopen this section of the Agreement and negotiate regarding such, and said notice shall have the effect of reopening only this section of the Agreement and of obligating the parties to negotiate in good faith in accordance with the National Labor Relations Act, as amended, over potential changes to this section of the Agreement.

Section 12. Pension

A. The Employer has previously executed a Certification Agreement by which the Employer became party to the Western Conference of Teamsters Pension Trust Fund. The Employer agrees to remain a party to said Trust Fund during the remaining life of this Agreement. The Employer agrees that during the continuance of this Agreement it will pay into said Trust Fund on account of each employee of the Employer covered by this Agreement for which compensation is paid the following amounts:

<u>Effective Date</u>	<u>Accrual</u>	<u>Peer 82</u>	<u>Total</u>	<u>Monthly Maximum</u>
Date Signed	\$3.09	\$0.36	\$3.45	No Monthly Maximum

B. This contribution shall be paid on the same basis as contributions for the basic plan

provided for in Section 12. The contributions required to provide the Program for Enhanced Early Retirement (PEER) 82 will not be taken into consideration for benefit accrual purposes under the plan. The additional contribution for PEER 82 must at all times be 11.5% of the basic contribution and cannot be decreased or discontinued at any time.

C. The Employer agrees to abide by such rules as may be established by the Trustees of said Trust Fund to facilitate the prompt and orderly collection of such amounts, and the accurate reporting and recording of such amounts paid on account of the employees. Failure to make the payments herein provided, within the time specified, shall be a breach of this agreement.

D. The parties agree that because the Trustees of the Fund will rely on the agreements executed in this section and will not reduce the benefits for employees who retire prior to January 1, 1979, this section may not be modified, terminated or rescinded by the parties directly or indirectly without the express written consent of the Trustees.

E. Time paid for but not worked, such as vacation time, shall be considered as time worked for the purpose of this section.

Section 13. Seniority

A. When it may be necessary to reduce the number of employees actively on the payroll, the last employee hired shall be the first employee laid off, and in rehiring, the last employee laid off shall be the first employee rehired, provided the employee is capable of performing the remaining work.

B. Seniority shall begin following the employee's third month of employment. Employees working beyond three (3) consecutive months shall be credited with seniority from their hiring date.

C. Seniority shall be broken by resignation, discharge, or layoff and other absences (not including proven illness or industrial injury) in excess of six (6) calendar months. An employee absent due to proven illness shall be considered as being on leave of absence for a period of up to one year, with any extension by mutual agreement.

D. A list of the employees arranged in the order of their seniority shall be posted in a conspicuous place at their place of employment. Any controversy over the seniority standing of any employee on the seniority list shall be submitted to the grievance procedure.

E. For purpose of daily work assignments, the senior drivers shall be dispatched for the work available, provided they are qualified to perform the work, except that no driver will be replaced on the basis of seniority once he has started his day's work, and provided further that if the Employer is unable to contact the senior employee at the telephone number he or she has on file with the Employer, before 9:00AM on that day, or once contacted, he or she declines the work offered, that employee may be passed over by the Employer and the Employee does not have to be contacted by the Employer for the next four (4) calendar days.

F. Any regular driver who has been put to work on a given day, and has been laid off during

that day, shall be given the opportunity to complete any available work for such drivers before bunkermen, yardmen, or mechanics are used to perform this work.

G. A new employee shall be considered a probationary employee and will be placed on the permanent list after working a minimum of 1,000 hours from his or her date of hire. This probationary period can be reduced by mutual agreement between the Company and the Union.

H. Seniority for Batchmen will be by classification and by location.

Section 14. Elimination of Restriction of Production

No rules, customs, or practices shall be permitted that limit production or increase the time required to do the work. There shall be no limitation or restriction of the use of machinery, tools, or other labor-saving devices.

Section 15. Job Stewards

The Union may designate job stewards and alternates, up to one steward for each shift. The Union shall promptly notify the Employer in writing of the name of the steward and alternates, if any.

Section 16. Bulletin Boards

Bulletin board space shall be made available to the Union for the purpose of posting official Union notices.

Section 17. No Unlawful Discrimination

No employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union, and the Union agrees that employees covered hereby shall be admitted to membership without discrimination. In accordance with applicable local, state and federal laws and regulations, neither the Employer, the Union or the employees shall discriminate or engage in behavior and/or conduct of a harassing nature (sexual or otherwise) against anyone doing business with the Company or any employees or applicant for employment covered by this Agreement. Additionally, any unlawful discrimination, harassment, coercion or intimidation by the Employer, the Union or the employees against any employee or applicant for employment shall be a violation of this Agreement.

Section 18. Rest Break

The Employer shall authorize and permit employees to take rest periods, which insofar as practicable shall be in the middle of each work period, provided the employer may stagger rest periods to avoid interruption in the flow of work and to maintain continuous operations, or to coincide with breaks in the flow of work that occur in the course of the workday. Rest period time shall be based on the total hours worked daily at the rate of 10 minutes net rest time for every four hours worked, or major fraction thereof, and shall take place at areas designated by

the Employer, which may include or be limited to the employees' immediate work area.

Section 19. Lunch Period

The lunch period shall be one-half hour duration at the discretion of the Employer. The lunch period shall be scheduled, insofar as possible, one-half hour before the midpoint of the shift and end one-half hour after the midpoint of the shift. If an employee is instructed to work through the lunch period, he shall be paid time and one-half (1½) the straight time hourly rate for such time. The preceding restriction on lunch periods shall not apply to drivers of double bottoms dumps and similar equipment.

Section 20. D.O.T. Physical and Drug Testing

The Employer will pay the cost of a D.O.T. physical or any other physical required by the Employer as a condition of employment. In addition, the employee will be compensated for any time lost when required to submit to a drug test.

Section 21. Management Rights

A. Except as limited by this Agreement, the Employer retains the exclusive right to manage the business, to direct, control and schedule its operations and work force and to make any and all decisions affecting the business, whether or not specifically mentioned herein and whether or not heretofore exercised. Such prerogatives shall include but not be limited to the sole and exclusive rights to: hire, promote, layoff, assign, transfer, suspend, discharge and discipline employees for just cause; select and determine the number of its employees, including the number assigned to any particular work; increase or decrease that number; direct and schedule the work force; determine the location and type of operation; determine and schedule when overtime shall be worked; determine the methods, procedures, materials and operations to be utilized or to discontinue their performance by employees of the Employer and/or to subcontract the same when equipment or active employees who can legally do the work are not available; transfer or relocate any or all of the operations of the business to any location or to discontinue such operations by sale or otherwise, in whole or in part at any time; schedule operation shutdowns; establish, increase, or decrease the number of work shifts and their starting and ending times; determine the work duties of employees; promulgate, post, enforce and change rules and regulations governing the conduct and acts of employees during working hours, provided that any changes are first communicated in writing to the Union; require duties other than those normally assigned to be performed; select supervisory employees; train employees; discontinue or reorganize or combine any department or branch of operations with any consequent reduction or other change in the working force; introduce new and improved methods of facilities, regardless of whether or not such may cause a reduction in the working force; establish, change, combine or abolish job classifications and determine job content and qualifications; determine reasonable work pace, work performance levels and standards of performance of the employees; and in all respects carry out, in addition, the ordinary and customary functions of management except as specifically altered or modified by the express terms of this Agreement. All of the above shall be with notice to the Union and effects bargaining if requested.

B. The Employer shall not be arbitrary and capricious in the exercise of its rights contained in this Section.

C. The Employer may schedule its management and supervisory personnel at any time to perform bargaining unit work, provided that an emergency requires it or a Union member is not available to perform such work. The selection of supervisory personnel shall be the sole responsibility of the Employer and shall not be subject to the grievance and arbitration provisions of this Agreement.

D. The foregoing statement of the rights of management and of Employer functions are not all-inclusive, but indicate the type of matters or rights which belong to and are inherent in management, and shall not be construed in any way to exclude other Employer functions not specifically enumerated.

Section 22. Scope of Agreement

A. The Employer and the Union acknowledge and agree that during the negotiations which resulted in this Agreement, each party had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter not removed by law from the area of collective bargaining, that the complete understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement and that any practices, economic or otherwise, heretofore exercised and not contained in this Agreement, are hereby abolished.

B. Should any Section or portion of this Agreement be determined to be in conflict with established law and unenforceable by a court of competent jurisdiction, such decision shall apply only to the specific Section or portion thereof directly specified in the decision. Upon issuance of a final decision, the parties agree to immediately negotiate a substitute for the invalid Section or portion thereof. Neither party shall be under any obligation to renegotiate any Sections or portions of this Agreement which are not affected by such decision.

Section 23. Term of Agreement

This Agreement shall remain in full force on the date it is signed, and it remains in effect to February 1, 2013, and shall be considered as renewed from year to year thereafter unless either party hereto shall give written notice to the other of their desire to have the same modified, and such notice must be given at least sixty (60) days prior to February 1, 2013. If such notice is not given, then this Agreement is to stand as renewed for the following year.

Wendell Reed
Employer

Date: 9/20/10

Don J. [Signature]
Union

Date: 4-16-10